

## MEMORANDUM OF UNDERSTANDING

1. Representatives of the Governments of the Republic of Belarus and the United States of America met in Washington, D.C. on May 30 and 31, 2002 and January 10, 2003, to discuss bilateral textile trade issues of mutual concern.
2. As a result of these and continued discussions, they agreed to extend annual quantitative limits ("specific limits") on imports into the United States of fiberglass fabrics in category 622 for the period January 1, 2003-December 31, 2005. The annual limits are shown below:

Category 622	
Period	Quantity
January 1, 2003 - December 31, 2003	9,100,000 square meters
January 1, 2004 - December 31, 2004	9,646,000 square meters
January 1, 2005 - December 31, 2005	10,224,760 square meters

These limits will be continue to be subject to a sublimit on imports within category 622 weighing 185 grams or less per square meter (622-L) at the following levels:

Category 622-L	
Period	Sub-limit Quantity
January 1, 2003 - December 31, 2003	1,500,000 square meters
January 1, 2004 - December 31, 2004	1,590,000 square meters
January 1, 2005 - December 31, 2005	1,685,400 square meters

In addition, they agreed that an additional sublimit will be established within category 622 for imports of woven glass fabric exceeding 30cm, weighing more than 205 grams/M2 but less than 250 grams/M2, with filament diameter of 7 to 13 microns (category 622-N). They agree that the sublimit for category 622-N will be established at 7 percent above last year's trade level. The trade data will be established based on a mutual determination and data supplied by the Government of Belarus. The Government of Belarus agrees to supply its export data at the earliest opportunity and consultations will continue expeditiously thereafter.

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3. They further agreed to establish annual quantitative limits ("specific limits") on imports into the United States of women's wool coats in category 435 and women's wool trousers in category 448, at the following levels:

Period	Category 435	Category 448
January 1, 2003 - December 31, 2003	66,000 doz.	34,000 doz.
January 1, 2004 - December 31, 2004	67,320 doz.	34,680 doz.
January 1, 2005 - December 31, 2005	68,666 doz.	35,374 doz.

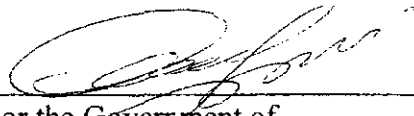
4. The specific limits in paragraphs 2 and 3 may be adjusted in accordance with paragraph 5.
5. (A) During any agreement period, the specific limits may be exceeded by not more than five (5) percent swing, provided that a corresponding reduction in square meters equivalent is made in one or more other specific limits during the same agreement period, and except that swing is not available into category 622 or the sublimits for category 622-L and 622-N.
- (B) The Government of the Republic of Belarus shall indicate to the Government of the United States the specific limit it intends to increase and which it wishes to decrease during each agreement period.
- (C) The extent to which any specific limit may be exceeded in any agreement period by carryover (the use of any unused meterage, i.e., shortfall, of the corresponding limit for the previous period) and/or carryforward (the borrowing of a portion of the corresponding limit from the succeeding agreement period) is eleven (11) percent, of which carryforward shall not constitute more than six (6) percent.
- (D) No carryforward shall be available for application in the final agreement period.
- (E) For the purposes of this agreement, a shortfall occurs when exports of textiles or textile products from Belarus to the United States during any agreement period are below any specific limit or, in the case of any limit decreased pursuant this paragraph, when such exports are below the limit as decreased.
- (F) The Government of the Republic of Belarus will notify the Government of the United States when it wishes to use carryforward, or unused meterage (Shortfall) available in categories for carryover, subject to the provisions set out above.

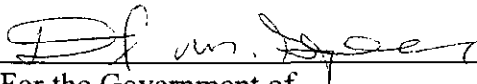
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However, the Government of the United States may supply adjustments under this paragraph to any specific limit whenever that adjustment appears appropriate to facilitate the flow of trade and the sound administration of the Agreement. To the extent that such adjustments are actually utilized, they will be implemented by means of carryover and carryforward, in that order. Any unused carryforward will be re-credited to the following period's limit. This procedure will not prejudice the outcome of any consultations that may be held between the Parties concerning the amounts of available carryover and carryforward.

6. The Government of the Republic of Belarus will administer its export control system under this Agreement. The Government of the United States will assist the Government of the Republic of Belarus in implementing the limitation provisions of this Agreement by controlling, by the date of export, imports of textiles and textile products covered by this Agreement.
7. Exports from Belarus in excess of authorized limits in any agreement period may be denied entry into the United States. Any such shipments denied entry may be permitted entry into the United States and charged to the applicable limit in the succeeding agreement period. The Government of the United States shall inform the Government of the Republic of Belarus of any such charges.
8. Either Government may terminate this Agreement, effective at the end of a quota period, by written notice to the other Government, to be given at least 90 days prior to the end of such quota period.
9. The provisions of this Agreement will be implemented on signature and will supercede the Memorandum of Understanding of December 20, 2002.

  
For the Government of  
the Republic of Belarus

  
For the Government of  
the United States of America

January 10, 2003